

Financing a Just Transition for the Workforce



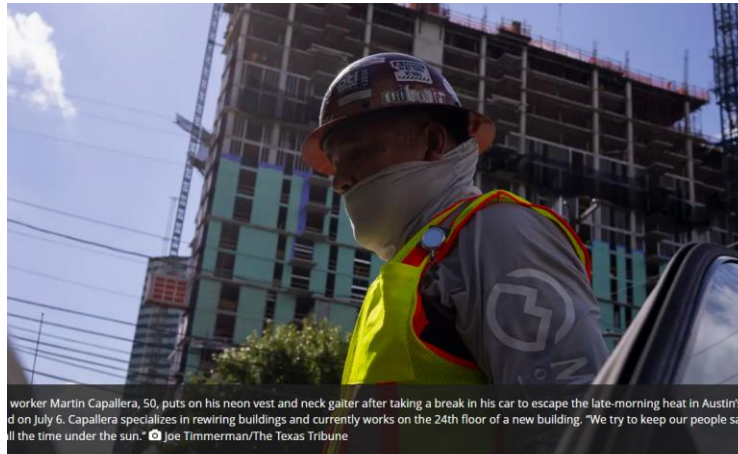
Bert De Wel, Global Climate Policy Coordinator ITUC
Forum of the Standing Committee on Finance – Financing Just Transitions
17–18 July 2023, Bangkok

Migrants building £2.6bn windfarm paid fraction of minimum wage

Workers on Beatrice project in Scotland have included irregular migrants on under £5 an hour



Offshore wind farming is one of the UK's biggest growth industries. Photograph: Murdo MacLeod/The Guardian



Worker Martin Capallera, 50, puts on his neon vest and neck gaiter after taking a break in his car to escape the late-morning heat in Austin's V on July 6. Capallera specializes in rewiring buildings and currently works on the 24th floor of a new building. "We try to keep our people safe all the time under the sun." Joe Timmerman/The Texas Tribune

Limited regulations make Texas workers responsible for preventing on-the-job heat injuries

In triple-digit temperatures, drinking water frequently and resting in the shade are minimum safety measures for avoiding injuries and deaths. But they are not applied to every job site.

BY FRANCISCO URANGA JULY 12, 2023 5 AM CENTRAL



Image by Rhugved Kandpile from Pixabay

GOAL 8: JOB DISPARITY

The textile industry in Pakistan is a vital source of employment for many, whilst also being important for foreign exchange. One of the key materials needed by the textile industry is cotton. In fact, 70% of Pakistan's industry uses cotton produced in Pakistan. However as the floods have destroyed a vast majority of cotton crops in Pakistan, many cotton farmers are out of work, as are the majority of Pakistan's textile workers.

The Trade Union definition of Just Transition

- A just transition secures the future and livelihoods of workers and their communities during the transition to a low-carbon economy effectively limiting global temperature rises to 1.5C above pre-industrial levels.
- Just Transition plans should be co-created with workers and their trade unions to provide and guarantee decent work, social protection, training opportunities and job security for all workers affected by global warming and climate change policies.
- Plans must be underpinned by the fundamental labour rights of freedom of association and collective bargaining and facilitated through social dialogue between workers and their unions, employers and governments as established by the ILO.
- A just transition requires guarantees for intra-, intergenerational and gender equity, racial justice, respect for the rights of indigenous peoples, impacted communities and migrants and promotes and protects human rights and ILO fundamental labour rights.



Paris Agreement

Emphasizing the intrinsic relationship that climate change actions, responses and impacts have with equitable access to sustainable development and eradication of poverty,

Recognizing the fundamental priority of safeguarding food security and ending hunger, and the particular vulnerabilities of food production systems to the adverse impacts of climate change,

Taking into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities,

Acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity,

Recognizing the importance of the conservation and enhancement, as appropriate, of sinks and reservoirs of the greenhouse gases referred to in the Convention,

Noting the importance of ensuring the integrity of all ecosystems, including oceans, and the protection of biodiversity, recognized by some cultures as Mother Earth, and noting the importance for some of the concept of “climate justice”, when taking action to address climate change,



▶ Texts adopted

International Labour Conference – 111th Session, Geneva, 2023

Resolution concerning a just transition towards environmentally sustainable economies and societies for all

(16 June 2023)

https://www.ilo.org/ilc/ILCSessions/111/reports/texts-adopted/WCMS_886647/lang--en/index.htm

Our Common Agenda Policy Brief 6

Reforms to the International Financial Architecture, May 2023.



ACTION 7: MASSIVELY INCREASE CLIMATE FINANCE, WHILE ENSURING ADDITIONALITY

- Consolidate and increase climate financing, align it with the Paris targets and better coordinate among remaining climate funds.
- Multilateral development banks and donors to assess and report on whether climate finance is additional to development assistance.
- Scale up adaptation financing to 50 per cent of total climate finance, and massively scale up grant finance.
- Quickly operationalize the loss and damage fund with new source of funding.

No one-size-fits-all: Challenges of the transition are different in different regions, countries, sectors, companies, etc.

- Implement the UN Secretary General's proposals to **reform the international financial architecture**
- **COP26 Declaration: SUPPORTING THE CONDITIONS FOR A JUST TRANSITION INTERNATIONALLY** <https://ukcop26.org/supporting-the-conditions-for-a-just-transition-internationally>
- **UN Global Accelerator on Jobs and Social Protection for Just Transitions**, help countries create 400 million decent jobs, including in the green, digital and care economies, and to extend social protection coverage to the 4 billion people currently excluded.
- The UNFCCC **Just Transition Work Programme (JTWP)** must provide guidance on the labour dimension of Climate finance
- Urgent need for transparency and accountability regarding the **Just Energy Transition Partnerships**

No one-size-fits-all: Challenges of the transition are different in different regions, countries, sectors, companies, etc.

- ☛ **National strategies:** Germany (Coal Commission providing €40 billion in structural aid), South Africa (“Just Energy Transition Investment Plan”)
- ☛ **Regional strategies:** EU Territorial Just Transition Plans (€25 billion Just Transition Fund), Spain (Just Transition Contracts in Spanish mining regions)
- ☛ **National Collective Agreements:** Sweden (Right to training, re- & upskilling for JT). The agreement on ‘education support for transition’ gives individuals who are employed or in-between jobs the right to financial support for shorter or longer training courses to develop their skills. The grant will replace 80% of the net income, up to a ceiling of €3,000 per month, or 65% up to a ceiling of €6,600 a month. An additional loan of up to €1,170 can be added to that.
- ☛ **Company agreements:** ENI Italy, IndustriALL Global renews global agreement with energy company ENI. There is also an agreement at the national level.

<https://news.industrialall-europe.eu/p/collective-bargaining-database>

No one-size-fits-all: Challenges of the transition are different in different regions, countries, sectors, companies, etc.

- **Between companies:** LEAG and Deutsche Bahn in Germany transfer of workers from lignite mining to railway maintenance operation plant



https://www.deutschebahn.com/de/presse/pressestart_zentrales_uebersicht/Fuer-sichere-Jobs-in-der-Lausitz-DB-und-LEAG-schliessen-umfassenden-Ausbildungspakt-8774188

1. An industrial policy fit for ambitious climate goals and good quality jobs

2. Funding the transition

3. Stronger collective bargaining and social dialogue

4. A tool of workers' rights and companies duties to anticipate and shape the change

5. Tackling new skills needs and a right to quality training and lifelong learning



Nothing About Us Without Us

A Just Transition Manifesto

Our industries and workplaces are radically changing. The transition is already happening. The pandemic, the war in Ukraine and the energy price crisis are accelerating the pace of change. Industrial workers across Europe have consistently been raising their voices – we need political leaders to hear us and respond urgently.

JUST NOTHING ABOUT US WITHOUT US!
TRANSITION

Achieving Just Transition requires industrial workers' voice.

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